

Statement of Work Annual Financial Audit

June 15, 2006

I. Background and Purpose

The Department of Technology Services will undertake a financial audit as set forth and required by Government Code Section 11537:

“(a) The board shall engage an independent firm of certified public accountants to conduct an annual financial audit of all accounts and transactions of the department. The audit shall be conducted in accordance with Generally Accepted Government Auditing Standards. The audited financial statements shall be presented to the board, the Governor, and the Legislature not more than 120 days after the close of the fiscal year.

(b) The board may arrange for other audits as are necessary or prudent to ensure proper oversight and management of the department.”

The DTS provides information technology services to state and local government agencies on a cost-reimbursement basis. It accounts for its revenues and expenses through the DTS Revolving fund (Fund). The Fund is self-supporting and totally dependent upon its generated revenues. The primary elements to review and analyze are as follows:

1. Audit the condition of the Department of Technology Services Revolving Fund (Fund) for the fiscal year ending June 30, 2006.
2. Audit the financial statements of the Fund in accordance with Generally Accepted Government Auditing Standards for the fiscal year ending June 30, 2006.

II. Key Dates

It is recognized that we are on a very short time frame. The Technology Services Board) TSB is required by statute to engage an independent auditor to audit the DTS' annual financial statements and present a report 120 days after the close of the fiscal year, October 31, 2006. The firm selected to conduct the audit must submit a detailed Work Plan to DTS by July 17, 2006.

III. Amount

The total amount of this Agreement shall not exceed \$200,000 for the five (5) month term of this contract, July 10, 2006 through November 30, 2006.

Timeline
Annual Financial Audit
June 15, 2006

Description	Due Date
Submit Service Request	June 1, 2006
Release of RFO	June 28, 2006
RFO Response Submission Due	July 5, 2006
Evaluation Review / Interview (if requested)	July 6-11, 2006
Review and Approval by the State CIO	July 10, 2006
Recommendation of Award	July 11, 2006
Commencement of Services	July 12, 2006
Detailed Work Plan	July 19, 2006